



Order Filed on February 14, 2025
by Clerk
U.S. Bankruptcy Court
District of New Jersey

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

Caption in Compliance with D.N.J. LBR 9004-1(b)

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*Proposed Counsel to the Debtor and Debtor in
Possession*

In re:

NEW JERSEY ORTHOPAEDIC INSTITUTE LLC,

Debtor.

Tax I.D. No. 80-0403560

In re:

NORTHLANDS ORTHOPAEDIC INSTITUTE LLC,

Debtor.

Tax I.D. No. 83-0549828

Chapter 11

Case No. 25-11370 (JKS)

(Joint Administration Requested)

Chapter 11

Case No. 25-11372 (JKS)

(Joint Administration Requested)

**ORDER PURSUANT TO 11 U.S.C. §§ 105(a), 363 AND 507(a) FOR AUTHORITY TO (I)
PAY CERTAIN PREPETITION WAGES, SALARIES AND REIMBURSABLE
EMPLOYEE EXPENSES; (II) PAY AND HONOR EMPLOYEE MEDICAL AND
OTHER BENEFITS; (III) CONTINUE EMPLOYEE BENEFIT PROGRAMS; AND (IV)
FOR RELATED RELIEF**

The relief set forth on the following pages numbered two (2) through four (4) is

ORDERED.

DATED: February 14, 2025

Honorable John K. Sherwood
United States Bankruptcy Court

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Debtors: New Jersey Orthopaedic Institute LLC, *et al.*

Case No. 25-11370 (JKS)

Caption: ORDER PURSUANT TO 11 U.S.C. §§ 105(a), 363 AND 507(a) FOR AUTHORITY TO
(I) PAY CERTAIN PREPETITION WAGES, SALARIES AND REIMBURSABLE
EMPLOYEE EXPENSES; (II) PAY AND HONOR EMPLOYEE MEDICAL AND
OTHER BENEFITS; (III) CONTINUE EMPLOYEE BENEFIT PROGRAMS; AND (IV)
FOR RELATED RELIEF

AND NOW, upon consideration of the Debtors' Motion (the "**Motion**")¹ pursuant to sections 105, 363 and 507(a) of the United States Bankruptcy Code, 11 U.S.C. §§ 101, *et seq.* (as amended, the "**Bankruptcy Code**") and Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), authorizing, but not directing, the Debtors to (i) pay certain prepetition wages (and associated taxes) and reimbursable employee expenses, (ii) pay and honor employee medical and other benefits, (iii) continue employee benefit programs and (iv) other related relief, and any responses to the Motion, and after notice and hearing, it is hereby **ORDERED** and **DECREED** as follows:

1. The Motion is **GRANTED** to the extent set forth below.
2. The Debtors are authorized, but not directed, pursuant to sections 105(a), 363, and 507 of the Bankruptcy Code, to pay and honor all prepetition obligations associated with the Employee Obligations (defined below) and to continue the programs and maintain funding in the ordinary course of business, to the extent requested in the Motion, relating to: (i) Unpaid Compensation, Payroll Maintenance, Deductions, Withholdings, and Employer Payroll Taxes, excepting those amounts owed to Dr. Vincent McNerney or Lisa McNerney prepetition; (ii) Employee Benefits; and (iii) Worker's Compensation Policies and Programs; provided that payments per Debtor for wages, salaries, severance, and paid time off shall not exceed \$15,150.00 for each individual unless otherwise ordered by this Court (collectively, the "**Employee Obligations**"). For the avoidance of doubt, and notwithstanding anything in this Order to the

¹ Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Motion.

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Debtors: New Jersey Orthopaedic Institute LLC, *et al.*

Case No. 25-11370 (JKS)

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(I) PAY CERTAIN PREPETITION WAGES, SALARIES AND REIMBURSABLE
EMPLOYEE EXPENSES; (II) PAY AND HONOR EMPLOYEE MEDICAL AND
OTHER BENEFITS; (III) CONTINUE EMPLOYEE BENEFIT PROGRAMS; AND (IV)
FOR RELATED RELIEF

contrary, each Debtor shall not make any payments above the limits set forth in 11 U.S.C. § 507(a)(4) and 11 U.S.C. § 507(a)(5).

3. The Debtors and any applicable third parties are authorized to continue to allocate and distribute Withholdings, Deductions and Employer Payroll Taxes to the appropriate third-party recipients or taxing authorities in accordance with the Debtors' stated policies and prepetition practices.

4. The Debtors are further authorized, but not directed, to pay all processing and administrative fees associated with and all costs and expenses incidental to payment of the Employee Obligations.

5. In accordance with this Order (or other Order of this Court), each of the financial institutions at which the Debtors maintain their accounts relating to the payment of the Employee Obligations described in the Motion is authorized and directed to (i) receive, process, honor, and pay all checks presented for payment and to honor all fund transfer requests made by the Debtor related thereto, to the extent that sufficient funds are on deposit in those accounts and (ii) accept and rely on all representations made by the Debtors with respect to which checks, drafts, wires, or automated clearing house transfers should be honored or dishonored in accordance with this or any other order of this Court, whether such checks, drafts, wires, or transfers are dated prior to, on or subsequent to the Petition Date, without any duty to inquire otherwise.

6. The Debtors are authorized, but not directed, to issue new post-petition checks, or effect new electronic funds transfers, on account of prepetition Employee Obligations and claims

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Debtors: New Jersey Orthopaedic Institute LLC, *et al.*

Case No. 25-11370 (JKS)

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(I) PAY CERTAIN PREPETITION WAGES, SALARIES AND REIMBURSABLE
EMPLOYEE EXPENSES; (II) PAY AND HONOR EMPLOYEE MEDICAL AND
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to replace any prepetition checks or electronic fund transfer requests that may be lost or dishonored
or rejected as a result of the commencement of the Debtors' Chapter 11 Cases.

7. This Court retains jurisdiction to construe and enforce this Order.

8. The Debtors are hereby authorized and empowered to take such steps and perform
such acts as may be necessary to effectuate the terms of this Order.

9. Notwithstanding Bankruptcy Rules 6003, 6004, this Order shall be effective and
enforceable immediately upon entry. The Court expressly finds that there is no reason for delay in
the implementation of this Order.

In re:
New Jersey Orthopaedic Institute LLC
Debtor

Case No. 25-11370-JKS
Chapter 11

CERTIFICATE OF NOTICE

District/off: 0312-2
Date Rcvd: Feb 14, 2025

User: admin
Form ID: pdf903

Page 1 of 2
Total Noticed: 1

The following symbols are used throughout this certificate:

Symbol	Definition
+	Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Feb 16, 2025:

Recip ID	Recipient Name and Address
db	+ New Jersey Orthopaedic Institute LLC, 504 Valley Road, Suite 200, Wayne, NJ 07470-3534

TOTAL: 1

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.
Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI).

NONE

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

NONE

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Feb 16, 2025

Signature: /s/Gustava Winters

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on February 14, 2025 at the address(es) listed below:

Name	Email Address
Carl J. Soranno	on behalf of Defendant Anthony Scillia MD csoranno@bracheichler.com, dfamula@bracheichler.com;jpmartin@bracheichler.com;krutkowski@bracheichler.com
Carl J. Soranno	on behalf of Creditor John Callaghan csoranno@bracheichler.com dfamula@bracheichler.com;jpmartin@bracheichler.com;krutkowski@bracheichler.com
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Carl J. Soranno	on behalf of Creditor Anthony Scillia csoranno@bracheichler.com dfamula@bracheichler.com;jpmartin@bracheichler.com;krutkowski@bracheichler.com
Carl J. Soranno	

District/off: 0312-2

User: admin

Page 2 of 2

Date Rcvd: Feb 14, 2025

Form ID: pdf903

Total Noticed: 1

on behalf of Creditor Academy Orthopaedics LLC csoranno@bracheichler.com,
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U.S. Trustee

USTPRegion03.NE.ECF@usdoj.gov

TOTAL: 21